



## OTTAWA TAX PAYERS ADVOCACY GROUP

*"The Silent Majority is Silent No More"*

### The Ottawa Taxpayer Advocacy Group Releases Detailed Plan for 2 Year Budget Freeze – No New Money

## 2 Year Budget Freeze – No New Money

This issue is important as it will affect budgeting for the next 5 years. This Summit is a discussion on how spend 12 billion dollars in way that will ensure long term property tax and user fee affordability, while maintaining our quality of life.

If the Council voted for a 2 year budget freeze, can this be done with limited impact to core services? If your answer is NO, please use the appropriate level of detail to prove your case.

Detailed below is how to find \$243 million by a 10% reduction in the following budgets, upon review of answers on impact to service, we will propose \$200 million in specific expenses that can be used to fund a 2 year budget freeze and any new projects.

1. Executive / board / management costs \$75.8 million
2. Administration costs \$246.9 million (excluding hydro) e.g. It, clerk, hr, finance, property mgt., planning etc
3. Non departmental costs \$68.2 million (excluding hydro, housing) e.g. Sick leave banks, retiree costs, benefits adjustment, election expense, self insurance, mpac, tax rebates etc
4. Administration costs for core and non core services \$202.7 million e.g. Research, recruitment, costing, reporting, communication, planning, billing, expenditure management, advertising, printing, stationary, promotional items, furniture, procurement, maintenance, cleaning, knowledge management, travel, hospitality, memberships, record keeping etc.
5. Legal & consulting services \$247 million in 2009 (excluding hydro, housing)
6. Some capital costs \$416 million
7. Core services \$2 billion (5% cut) e.g. Drinking water, solid & water waste, police, fire, paramedics, roads, traffic, building permits etc
8. Non core services \$150 million e.g. Library, community funding, environmental, bylaw etc

When commenting on the impact of a budget freeze, please be guided by the following priority list. The lower the priority the higher the opportunity to shoulder budget reductions or freezes.

---

	<b>Services Listed In Order of Priority</b>	<b>operating cost</b>	<b>Total Program</b>
1	Drinking Services	51,230	125,833
2	Solid Waste	72,734	66,569
3	Waste Water Services	43,991	126,472
4	Hydro Operations, Maintenance & Administration (2009)	72,000	
5	Public Health	49,825	48,209
6	Crime Prevention		400
7	Ottawa Police Service	246,782	249,558
8	Ottawa Fire Services	132,744	122,995
9	Ottawa Paramedic Services	72,504	64,991
10	Office Of Emergency Management / Integrated Public Safety	2,444	6,464
11	Surface Operations - Integrated Road & Water	135,886	125,701
12	Engineering & Technical Services		13,916
13	Transportation Services Rural & Agriculture		
14	Transportation Services		
15	Traffic & Parking Operations	42,659	14,026
16	Building Code Services	15,673	15,306
17	Transit Services	384,910	386,536
18	Employment & Financial Assistance	216,749	234,454
20	Long Term Care	49,350	49,152
21	Childcare	95,349	95,315
22	Housing	143,073	142,327
23	Ottawa Public Library	40,366	38,981
24	Parks Recreation Services	99,925	143,697
25	Parks & Sports Buildings & Grounds		131,507
26	French Language Services		
27	Committee Of Adjustment		944
28	Infrastructure Services	5,666	26,417
29	Transportation Planning		3,346
30	Building Code Services - Other Permits & Compl Rep	619	
31	Cultural Services & Community Funding	45,268	
32	By-Law & Regulatory Services	18,740	17,965
33	IT Services	46,441	45,125
34	It Productivity Driven		
35	Fleet Services	654	61,005
36	Forestry Services (Public Works)		10,062
37	Planning Branch (Construction, Rural)		3,324
38	Planning & Growth Management	14,521	20,780
40	Economic & Environmental Sustainability	6,696	3,530
41	Environmental Sustainability		2,355
42	Employee Services	20,831	14,666
43	Organizational Development & Performance		6,036
44	Communications & Customer Service	12,462	11,446
45	Service Excellence Program	1,654	
46	Legal Services	6,813	
47	Financial Services	31,021	41,721
48	Real Property Asset Management	57,060	7,236
49	Corporate Planning & Performance Reporting	1,158	
50	City Clerk	15,880	28,864

---

## City Response

The residential tax rate in Toronto is lower than Ottawa's due to the fact that home prices are higher on average than in Ottawa. Higher values require a lower rate to generate the same level of taxation revenues.

In addition, there are two other reasons why rates are lower:

1. The Province provides more funding to the City of Toronto to assist in the costs of social housing and general welfare assistance. In addition, both the riders of the Toronto Transit system and the Province fund more of the cost of public transit in Toronto than in Ottawa.
2. The residential class in Toronto bears a lower percentage of total property taxes than Ottawa's residential class.

This is due to the Province's property tax legislation and Toronto's decision to keep business property taxes high.

### **Follow Up Question: 2 Year Budget Freeze;**

What we really need is a detailed city budget. **The 2010 Comp Non Comp file has a good format but lacks lower level detail** which would be separate item categories in SAP, so it must be possible to get us a lower level report for each cost centre.

For example if we wanted to know what the police spends on printing or office furniture, or what libraries spend on video games, we have no clue. In each department we **listed the costs we are looking for, that would give you an idea of the level of detail we want**. At the moment 20% of our questions are addressed, if we can get detailed costs our satisfaction level will jump to 80%. We will then not be asking staff the impact of a 10% cut in a specific department, as we will have the information to answer that question.

---